

Report On  
The Emergence, Problems & Opportunities of Tours & Travels  
agency business in Bangladesh:  
A Study on Star Travel International.

By

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An internship report submitted to the BRAC Business School in partial fulfillment of the  
requirements for the degree of  
Masters of Business Administration

BRAC Business School  
BRAC University  
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## **Declaration**

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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## **Letter of Transmittal**

MD. Shamim Ahmed

Lecturer & Assistant Dean – Accreditation & Quality Assurance

BRAC Business School

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66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report on “The Emergence, Problems & Opportunities of Tours & Travels agency business in Bangladesh: A Study on Star Travel International.”

Dear Sir,

It is my pleasure to submit the internship report on “The Emergence, Problems & Opportunities of Tours & Travels agency business in Bangladesh: A Study on Star Travel International” as a part of MBA program. I have closely observed and participated in the functions of different departments of the company. While making this report I have come across many hurdles and pleasant experiences. But these valuable experiences will undoubtedly benefit me in the years ahead. This report attempts to describe my observations, learning and practical experiences gained which enrich my practical knowledge of the theoretical concepts.

I am very much glad that you have given me the opportunity to prepare this report and I hope this report will meet the standard of your judgment.

Sincerely yours,

---

Ferdous Ahmed Polin

Student ID: 17164007

BRAC Business School

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Date: August 16, 2019

## **Acknowledgement**

In the beginning, I want to express my earnest gratitude to the Almighty Allah for whose mercy I am mentally and physically sound with a view to preparing this report. Other than that, I am thankful to many people who have provided me with incentives and support during the whole period of my working with this report.

I am very much grateful to MD. Shamim Ahmed, my respective faculty and supervisor of my internship, who assigned me with this interesting topic and assisted me by providing complete support and guidance to finish this task successfully. Without his kind assistance, I would not be able to complete the report properly.

I want to show my gratitude to ‘Star Travel International’ family for the support.

I would like to express gratitude to General Manager, Faiz Ahmed, for guiding me during the intern period and helping me to learn about organizational activities regarding tours & travel management and other relevant processes.

I would also like to thank my peers and friends who assisted me during its preparation. Without their support, suggestion and co-operation, this task would have remained a dream.

Lastly, I want to express my gratitude to say that I am very pleased for having the opportunity to work with this organization.

## **Executive Summary**

Bangladesh is a wonderful land, capable of attracting national and international tourists, since this country is blessed with key travel assets such as beaches, forests, hills, islands, historical places and archaeological sites yet; travel industry is not well developed in order to remarkably contribute to economy of the country though it has huge potentials. Bangladesh has already passed its tender age and being competitive in international market in many sectors. Travel and Tour industry plays a significant role in promoting Tourism in abroad and in local as well. In our country, this emerging industry lot problems are there as well as some opportunities. Operators like Star Travel International need to exploit the opportunities to achieve overall goals.

In order to achieve success in travel agency business competitive targets are set. To successfully achieve the set targets everyone in the organization need to co-operate and work in a friendly environment. Star Travel International always gives their best efforts to serve their loyal customers properly and gives them the most competitive pricing for their products and offers. As a result, Star Travel International already made quite good reputation in the travel agency business in Bangladesh for their different kind of fare pricing strategies. Star Travel always try to delight their customers by fulfilling their every needs and desires. Star Travel gives strong consideration to the marketing activities to ensure that.

The significance of tourism is viewed from many angles like economic, social, cultural, political, etc. Tourism is now the fastest growing and single largest industry in the world. Marketers need to provide such necessary information to the prospective tourists through different promotional measures and thus, try to motivate and attract them to the sponsor's destination.

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# **Chapter 1**

## **Introduction**

### **1.1 Introduction**

Tourism is a particular wonder in present day human progress and it is profoundly established in the life of the general public and, thusly, it has affected its advancement. Therefore, being receptive to the dynamic changes in contemporary human progress, tourism advances under their effect, joining the general procedure of improvement. Tourism likewise goes about as an invigorating variable for the advancement and development given the huge human and material potential occupied with its improvement and given the useful impacts on the territory of obstruction. Bangladesh is a nation of common magnificence. She is honored with blessing of all-powerful. Viewed as a monetary and social movement, tourism speaks to, through its substance and job, a particular field of action, an exceedingly vital segment of the financial and social life in a developing number of nations, and certainly in our own nation. The tourism and hospitality industry is right now a standout amongst the most essential businesses around the world. Bangladesh takes full preferred standpoint of exceedingly ideal and more than satisfactory conditions for the improvement of various types of tourism.

Like shopper items, tourism has additionally expected gigantic extents, bringing about a variety of items and deals delegates attempting to get most extreme offer in the market. Today, tourism is the quickest developing industry on the planet and furthermore a standout amongst the most focused part. This opposition is always developing as an ever increasing number of goals look to draw in visitors and more organizations and associations wind up engaged with profoundly gifted business of goal arranging, transportation, settlement and providing food for the travelers. Travel and tourism should be promoted more vivaciously than different items as it is an industry in which the client has tremendous assortment of decision and furthermore

fluctuated inspirations for movement. Travel and tourism business give guide financial impact to GDP, work and different divisions in Bangladesh. Travel office and Tour administrator business are in the rising phase of advancement in this nation. As per World Travel and Tourism Council (WTTC), the immediate contribution of Travel and Tourism to GDP is relied upon to be 2.0% of GDP by 2025 and the contribution of business will be 3.60% of the aggregate work in Bangladesh. So travel and tourism business is one of the developing divisions like articles of clothing, managing an account and different parts. Bangladesh is the place that is known for waterways with rich characteristic magnificence which constantly prepared to welcome and to get the nature sweethearts.

## **1.2 Origin of the Report**

As a student of Master of Business Administration (MBA) every student is required to conduct a practical orientation in any organization for fulfilling the requirements of the 3 Months Internship Program. The main purpose of the program is to introduce the students with the real world situation. This Internship Report is generated under the academic supervision of MD. Shamim Ahmed, Lecturer & Assistant Dean - Accreditation & Quality Assurance, BRAC Business School, BRAC University, Dhaka. This report is prepared as the partial requirement of M.B.A degree. The topic is ‘The Emergence, Problems & Opportunities of Tours & Travels agency business in Bangladesh: A Study on Star Travel International’.

## **1.3 Objectives of the Report**

The primary goal of this Study is to distinguish the probability of the travel agency business in Bangladesh with deference of "Star Travel International". The others destinations are the followings:

- To gain practical knowledge about the operation of a tour operator & travel industry in Bangladesh.
- To find out the emergence, problems and opportunities of tour operators in our country.
- To know about the tour operation business o travel agencies.
- To apply theoretical knowledge in the practical filed in order to formulate a problem to work on.
- To learn about travel agency sector more thoroughly.
- To recommend solutions regarding the problems,
- To formulate future guidelines.

## **1.4 Scope of the Report**

The report attempted to capture the emergence, problems and opportunities of the Tours & Travel Industry in Bangladesh. I have only studied the current status of Tours & Travel industry of Bangladesh. This investigation gives me the experience how to maintain the travel agency business in the point of view of Bangladesh. This investigation likewise causes me about booking framework, bundling, offering tickets and visa preparing administrations of Star Travel International. In particular, this examination looks at the hierarchical structure, culture, exercises, qualities, and foundation destinations and so on of that administrator. By finishing this investigation, I have comprehended the travel agency business in Bangladesh and distinguish the probability of Star Travel International business in Bangladesh.

## **1.5 Methodology of the Report**

I have utilized quantitative technique for my research. For this I have arranged an organized survey for gathering information from the respondents. The number of respondent in this research are those individuals who have as of now travel with Star Travel International and who are eager to so. I have utilized both primary and secondary information for the exploration reason. My primary source is close to home meeting, study through poll and my secondary sources are diary, records, and books. Gathered data will be handled through MS word and Excel. The quantity of respondent is 50.

### **Primary Sources**

- The primary sources are as per the following:
- My perceptions,
- Appointment with the administrators,
- My down to earth work involvement as a worker,
- Direct discussion with the workers and tourists.

## **Secondary sources**

The secondary information are those that as of now have been gathered by somebody and went through the factual procedure. The auxiliary sources are as per the following:

- Annual reports,
- Different books and periodicals,
- Internet source,
- Past review report.

## **1.6 Methodology of the Report**

I discover the accompanying constraints in the season of setting up this investigation:

- The primary limitation of the examination was deficiency of data which is profoundly required for the investigation,
- Data are not refreshed,
- Limitation of time,
- Data of this association are not composed,
- The structure of association isn't so huge,
- Lack of encounters,
- Employees are not appropriately educated.

## **Chapter 2**

### **Literature Review**

Over the past several decades, travel and tourism has become a key sector in the world economy (Blanke and Chiesa, 2006). Yilmez (2008) commented that one of the largest and fastest growing sectors of the global economy, tourism consists of many small and medium size enterprises which try to be successful in an extremely competitive and rapidly changing business environment. Tourism is one of the profitable sectors in Bangladesh (Elena et al., 2012). Ali and Mobasher (2004) found that from the ancient period this area is famous for scenic beauty. Foreign tourists praised this country for its wonderful natural beauty, rich cultural heritage and hospitality of the people. Jahangir (1998), Pennington and Thomsen, (2010) argued that Bangladesh's share in the total arrivals in the south Asian region is too small. Besides, Islam and Islam (2006) argued that Bangladesh is a country of Asian region holding high potentiality of tourism. Since long past, Bangladesh was an attractive destination to the tourists. But at present her position is not significant in terms of international tourism. Tourism helps a country directly in building necessary infrastructures which not only facilitate the tourists but also the local community. In a destination country, tourism initiates the development of different relevant physical facilities and infrastructure (Johannesburg Summit, 2002). In addition, tourism can be a great tool for poverty alleviation for the developing countries. Tourism can provide material benefits to the poor in many forms directly and indirectly. It can also bring long term earnings opportunity, cultural pride, sense of ownership, reduced vulnerability through diversification and the development of personal skills of the poor (WTO, 2002). Roy and Roy (2015), discussed that, tourism can bring many economic, social and environmental benefits, particularly in rural areas and developing countries, although mass

tourism is also associated with negative effects. He has shown that, the variety of tourist spots, tourism policy can contribute in the economy.

Masud (2015), revealed that the country has a positive trend in arrivals and earnings, and it can be increased to a significant level if the country can undertake appropriate promotion measures by increasing the allocation for this purpose. The country also needs to employ creative people for this purpose, and the quality of the promotional materials also needs to be developed.

Sandip (2014) mentioned that the development of service industry will accelerate our economic growth. The study developed some competitive strategies in the light of vision 2021 and therefore achieves sustainable economic growth. Redwan (2014) highlighted the importance of tourism in Bangladesh along with its benefits in socioeconomic development. The gains from tourism are multidimensional, such as GDP contribution, employment generation, foreign currency earnings, infrastructure development, and creation of investment opportunities,

poverty alleviation, government earnings and cultural development. Shamsuddoha and Chowdhury discussed, that there are lots of opportunities to earn foreign and local revenue from this sector. They provided some crucial recommendations for BPC to follow those for developing tourism industry. Ferdous and Faisal (2014) showed that the significance of tourism is viewed from many angles like economic, social, cultural, political, etc. At present, in our gross domestic product, the role of tourism is below one per cent. If it could be brought to five per cent then it would generate about five lacs direct and indirect employment, which would move the economic index in the upper direction in all areas. Ashraful and Shahriar (2012) estimated that based on a conceptual model devise it is possible to explain the leakage and injections of the tourism industry and its actual impact on the economy as a whole. Ali (2010) depicted that, through improving the efficiency and effectiveness of services of tourism sector, arranging better facilities, cost cutting techniques, technological improvements and



infrastructural development, both local and foreign tourists can be encouraged to tour with different alternative causes.

Parveen (2013) investigated the current growth and development of this industry and also examines some limitations and challenges of the industry and suggested some policy measures to resolve its existing barriers as claimed by the aforesaid respondents. Ali and Mohsin (2008) researched various aspects of tourism marketing strategies. Author suggested that tourism should be acted as an important ingredient of economic development of the country for which synergy may be applied between tourism marketing plan and its implementation process. Integrated marketing communications channel should be used to develop tourism sector of the country. Musa (2013) identified that tourism marketing is an integrated effort to satisfy tourists by making the best possible services available to them. It is a device to transform the potential tourists into actual tourists. It is the safest way to generate demand and expand market.

## **Chapter 3**

### **Company Overview**

#### **3.1 General Description**

Star Travel International is now a prominent travel agency company in Bangladesh. The company usually arranges inbound & outbound tours. According to traveler's personality, status, test and trend Star Travel International is ready to serve with level of hospitality. It was established in 2017 and office in Elephant road, Dhaka. Star Travel International is a tour Operator and travel Agency being managed by a team of professionals with several years of experience in the field of tours & travel trade and in the field of hospitality in Bangladesh. It is very popular to both domestic and foreign tourists and other customers who take different services from it. As a Bangladeshi tours & travel agency offering service of international & domestic air ticketing on different Airlines (Online/Offline) and to different destinations. Star Travel International also under take hotel & ticket reservations all over Bangladesh, Transportations for ground handling and hotel reservations. The Company will offer comprehensive packages for the tourists including guidance, transportation, food, accommodation with reliability and security.

#### **3.2 Company Vision**

The vision of Star Travel International is to become a market leader within 2025 with better quality service and digital public offerings.

#### **3.3 Company Mission**

The mission of the company is to bring in new and exciting tour packages to create new generation of travelers to be the model of overall tour operator business in Bangladesh. We

want to show the tourists to Bangladesh and rest of the world through our eyes so that in future we can grab the best position in this sector.

### **3.5 Services**

Star Travel International is a Tour Operator and Travel Agency being directed by a gathering of specialists with a long time of contribution in the field of Tours and Travel trade and in the field of sincerity in Bangladesh. As a Bangladeshi Tours & Travel Agency offering organization of International and domestic air ticketing on different Airlines.

#### **Air Ticket**

It more often than not gives two sorts of air tickets:

- Domestic Air Tickets
- International Air Tickets

#### **Visa Processing Services**

Star Travel International gives an expert consultancy to ease visa application. Putting need to give exact and fundamental data to a fruitful visa application Star Travel International achievement rate has been more than 95%. One can get the accompanying nation's visa through this organization:

- THAILAND
- INDIA
- MALAYSIA
- SINGAPORE
- INDONESIA
- VIETNAM
- EGYPT

## **Meeting Incentives Conference and Exhibition Management**

Viable Meetings, Incentives, Conference and Exhibition all the huge coordination are masterminded by Star Travel International a phenomenal travel agency in Bangladesh. From this, they similarly give consultancy headings.

## **Hotel reservation**

Being an amazing travel association in Bangladesh, Star Travel International glazes a wide assortment and an abundance of lodging both locally and all around. Not simply it can find in excess of 4000 Hotels in excess of 100 urban regions around the world yet what's more the delight of most engaged rates that are extremely modest when differentiated and lodgings of comparable principles.

## **Package Tours**

Star Travel International give both inbound and outbound tour bundles for vacationers. One can get his/her coveted visit bundle from this visit administrator with sensible expenses.

## **Travel and Tour Consultancy**

Skilled experts run this travel agency with long proficient information. Individuals who need to movement for the most part contact with us for their tour data and consultancy. From this office one traveler can gather data with respect to his/her coveted goals everywhere throughout the world.

## **Other Related Services**

- Airport Transfer
- Excursion
- Rail, bus ticket

### **3.5 Special features of the services**

From the beginning of company it has been our goal to provide a unique & unforgettable travel experience that results our clients true desires. Company performs this service with professionalism, knowledge & creativity, while offering you the best value. They have taken this initiative not only to start their own demand but also to help the people of this country discover a new Bangladesh and try to comprehensive packages for the tourists including guidance, transportation, food, accommodation with reliability and security.

## **Chapter 4**

### **Emergence, Problems & Opportunities of Tours & Travels agency**

#### **business in Bangladesh**

Bangladesh is offered with place that is known for waterways and regular grand delights. Vacationers from home and abroad visit frequently in various goals and it makes a potential travel .Travel office is a standout amongst the most critical associations in the tourism private segment that plays a huge and significant job in the whole procedure of creating and advancing tourism in Bangladesh. It is a travel agency which bundles and procedures every one of the attractions, gets to, comforts and subordinate administrations of a nation and presents them to the travelers. That is the reason travel agencies are known as image manufacturer of a nation. In this nation many travel agencies are making course of action of travel tickets (air, rail, street and ocean); travel records (international ID, visa and different archives for movement), settlement, diversion and other travel related administrations from the central providers. It might likewise anchor travel protection, outside money for the tourism individuals.

After the liberation war of Bangladesh, a few travel agency begins business. Among them "Bengal travel and tours" is the principal travel organization in this nation and holding the main position among the inbound travel agency business. At present many travel agency and tour operators are working their business in this nation by orchestrating inbound and outbound tourism exercises.

Travel and Tourism's effect on the financial and social advancement of a Bangladesh can be huge; opening it up for business, exchange and capital venture, making occupations and entrepreneurialism for the workforce and securing legacy and social qualities. To completely comprehend its effect, be that as it may, governments, strategy creators and organizations require exact and dependable information on the effect of the segment. Information is expected

to help evaluate arrangements that oversee future industry improvement and to give learning to help direct effective and feasible Travel and Tourism speculation choices.

Travel and Tourism created 9, 23,000 occupations specifically in 2015 (1.6% of aggregate work) and this is figure to develop by 1.40% out of 2025 to 1,062,000 (3.6% of aggregate business). This incorporates work by inns, travel specialists, aircrafts and other traveler transportation administrations (barring suburbanite administrations). It likewise incorporates, for instance, the exercises of the eatery and relaxation businesses straightforwardly upheld by tourists. Travel and Tourism created US\$7.6 trillion (10% of worldwide GDP) and 277 million employments (1 out of 11 occupations) for the worldwide economy in 2015. Ongoing years have seen Travel and Tourism developing at a quicker rate than both the more extensive economy and other critical segments, for example, car, money related administrations and medicinal services. Worldwide vacationer landings likewise flooded, achieving about 1.14 billion and guest spending more than coordinated that development. Guests from rising economies currently speak to a 46% offer of these worldwide landings (up from 38% out of 2000), demonstrating the development and expanded open doors for movement from those in these new markets.

The division faces challenges each year and this year is probably going to be the same. The political turmoil in this nation is the principle motivation to back off the inbound and outbound travel and tourism exercises. In any case, falling oil costs will bring critical upgrades for net oil merchants in 2015, facilitating upward weight on living costs, expanding expendable family unit salaries and household buyer spending, and bringing down air admissions. Therefore, Travel and Tourism development is estimate to proceed at a more grounded rate than a year ago, with the aggregate commitment to GDP anticipated that would increment by 3.7%. New goals and speculation openings will likewise keep on rising as tourism turns out to be progressively reasonable over the creating nation like Bangladesh. This development will

expect nations to receive a purposeful and facilitated way to deal with ability arranging and improvement between enterprises, governments and instructive organizations to guarantee and to satisfy the probability in the years ahead.

In our country, thousands tour and travel agents operate and help visitors to get optimum output possible. But they are facing many **problems** in operating in our country and they also have huge **opportunities** and potentials in the future as well. The problems they are facing and the opportunities for the future are furnished below:

Problems	Opportunities
Unfavorable Public Perceptions about Conventional Travel Agents	Public Outreach
The internet	Geographic awareness
Unqualified travel agents	Inherent nature of travel
Mass media coverage	Niche Markets and Products
Failure to attract the young	Reduced Competition
Unfavorable relations with some vendors	Banking Solutions
Others	Others

*Table 1 Problems and opportunities at a glance.*

#### **4.1 Problems of Tours and travels operators of Bangladesh**

##### **I) Unfavorable Public Perceptions about Conventional Travel Agents**



Negative perceptions about traditional travel agencies were by far the most common threat theme invoked by the interviewed owners. Constituent sub-themes that contributed to these perceptions were related to the role of the Internet as a viable competitor, the negative impact of unqualified travel agents (e.g., those receiving qualifications through ‘card mills’), consistently negative mass media coverage, and failure to attract young new agents.

## **II) The internet**

There was consensus, not surprisingly, that quality traditional travel agencies provide value for money. However, this was accompanied by a high level of concern that many consumers were gravitating to the Internet to book their travel under the allegedly erroneous impression that it provides a more efficient and less expensive means for doing so.

## **III) Unqualified travel agents**

Negative public perceptions were also seen to be caused by a proliferation of ‘travel agents’ with questionable credentials obtained through so-called ‘card mills’. The latter are businesses that sell misleading identification cards and training materials to individuals, giving the false impression that the purchaser is a certified travel agent entitled to discounts, airline upgrades, and/or commissions from travel suppliers that are normally reserved for legitimate travel agents.

Thus the unsuspecting public is dealing with poorly trained and unprofessional travel agents who are unlikely to hold any errors and omissions insurance or surety bonds carried by professional travel agents to protect themselves, suppliers and clients. The owners felt that this problem could be overcome to some extent by ensuring that the credentials of reputable agencies are clearly differentiated from those associated with the card mills. However, this solution was thought to be limited by the fact that most Americans are unfamiliar with travel

agency-related criteria, and more generally do not recognize agents as professionals in the same sense as doctors, lawyers or engineers.

#### **IV) Mass media coverage**

Many owners believe that the mass media contributes to negative public image, sometimes directly through negative coverage of conventional agencies. More prevalent is indirect negative publicity generated by saturated and sensationalist coverage of unusual events associated with strategically critical suppliers. While owners were referring mainly to traditional mass media outlets, several mentioned the role of online travel sites and blogs in conveying bad reviews of products (e.g., hotels) that may or may not be warranted.

#### **V) Failure to attract the young**

Many of the owners were concerned that negative public perceptions were discouraging promising young school-leavers and budding entrepreneurs from entering the travel agency field, and that the industry was doing nothing to address this situation. A variant in this sub-theme is the belief that the few young ‘Gen-X and Y’ entrants who are attracted tend to lack enthusiasm, a strong work ethic, and sense of commitment, which thereby threatens to erode the quality of the work force and the capacity of agencies to become more successful and expand.

#### **VI) Unfavorable relations with some vendors**

Various actions on the part of some suppliers were seen as threats that needed to be monitored and counteracted if necessary, although these thus far were not regarded as being anywhere in the magnitude of the airline decommissioning phenomenon. Chief among these are incipient decommissioning initiatives by cruise lines, tour operators, and other suppliers as a way of addressing their own financial difficulties. In 2015, Local travel agents warned to boycott

selling of tickets of the foreign airlines for not paying them nearly Taka 150 crore agency commissions.

The non-payment on the pseudo ground of “Paying of fuel surcharges” by the airlines is also depriving Bangladeshi passengers and the government, leaders of Association of Travel Agents of Bangladesh (ATAB), a grouping of 3000 local travel agents, told a press conference here today.

Apart from the above mentioned key problems identified by tour and travel operators and officials of BPC, there are secondary problems which are discussed below:

#### **VII) Negative Impact of Security and Country’s Poor Image**

Bangladesh, whose image abroad tends to revolve round its being one of the poorest countries in the world and prone to natural calamities like flood and cyclone, is not an obvious tourist destination. The tourism industry has also suffered significantly due to the bomb attacks and terrorist activities in the recent past years.

#### **VIII) Underdeveloped accommodation and other facilities**

Accommodation is one of the most significant factors to have contributed to the development of tourism world-wide and the absence of which may put off the tourists from travelling to enjoy the attractions. Standard hotel accommodation and transport system in Bangladesh is not adequate for attracting international tourists even the local tourists. Hotels’ infrastructure and other services are still underdeveloped in the country.

#### **IX) Lack of Infrastructure and Government Support**

The presence of very few international standard hotels, the low frequency of flights and the underdevelopment of tourist attractions has limited the tourism potential. With poor infrastructure, little marketing sense and direction, and a national carrier too busy serving the

labor traffic, tourism potentials of Bangladesh this far remained unexploited. Another key aspect of infrastructure is the availability of monetary funds during travel.

#### **X) Ineffective marketing strategies and poor promotional activities**

Promotional activities undertaken by Bangladesh tourism sector is not effective and is limited to traditional activities like distributing brochures, hand book, advertising in national newspapers, local TV channels etc. Both the existing literature and the data collected show that the promotional measures taken by Bangladesh tourism are not effective. The existing literature shows that the promotional activities undertaken by this sector is very traditional in form and are limited to folders, posters, accommodation guide etc. and again it is not well distributed and publicized.

#### **XI) Insufficient fund and government support**

Most of the private tour operators started their activities recently. As most of the tour operators are new in this area of marketing, they lack the experience and capital to run the business as most of them expressed their sufferings due to lack of fund for conducting the necessary promotional activities for the marketing of tourism services.

#### **XII) Unavailability of updated information:**

Both the local and potential international tourists face the problem of easy access to information related to Bangladesh tourism and its facilities. Though BPC uses its web page, but it is not capable to highlight the Bangladesh tourism attractions and the necessary related information properly.

### **4.2 Opportunities of Tour and travel operators of Bangladesh**

The main opportunity-related themes identified in the interviews were public outreach, Internet technologies, and consolidation and reduced competition within the travel agency sector.

## **I) Public Outreach**

The prominent theme is the need to educate and otherwise reach the public in order to overcome negative public perceptions (i.e., the main identified threat) and effectively instill an appreciation for the value that is offered by high quality conventional travel agencies.

For several owners, education included opportunities to attract young adults to the profession. While many owners felt that this outreach should be pursued through a concerted media campaign best orchestrated by a leading sector interest group such as ATAB, it was recognized that this would be difficult due to the sector's low profile and lack of influence and resources compared with better articulated interest groups. The public awareness campaign of the realty industry was cited as worthy of emulation by several owners.

## **II) Geographic awareness**

Several interviewees believed that this campaign should include exposure to international cultures and environments to reverse a perceived absence of geographical awareness in the school curriculum. This would inspire people to travel, and could encourage more youth to consider travel agencies as a legitimate and fulfilling career path.

## **III) Inherent nature of travel**

Another sub-theme focuses on the sense that a well-designed and orchestrated campaign of outreach would succeed because of the public's inherent interest in and growing desire to travel, notwithstanding the threat of chronic uncertainty.

Several owners had the sense that their clients increasingly perceive travel as an entitlement, which makes it that much easier to sell as a complex product requiring consultation with a travel professional.

#### **IV) Niche Markets and Products**

Many responses focused on the opportunities provided by emerging niche markets and products that were thought to have strong potential in the next five to ten years.

The baby boom generation, not surprisingly, was one of the most cited high-potential market opportunities, given their ample discretionary income, proclivity to travel, and large-scale movement into retirement mode over the next two decades. Other cited groups were religious travel, seniors, honeymoons and destination weddings.

#### **V) Internet Technology**

While recognizing the competition it provided, all owners perceived the Internet as far more of an opportunity than a threat, but one that many agencies had yet to exploit. Whether in potential or practice, owners also felt that Internet use by the customers themselves could benefit the travel agency.

#### **VI) Reduced Competition**

Accordingly, there was less competition from conventional agencies to contend with, and the sector was well positioned to continue rejuvenating and redefining itself to be more successful and efficient in coming decades.

#### **VII) Banking Solutions**

Operators also have the support of banking sectors through bank loans and discount by using credit cards. Banks offer loans to tour operators and provide EMIs to its customers if they use credit card to avail offer from tour operators. It is a huge opportunity for them to garb. The owner of the tour operators have agreed that it is the opportunity to exploit in the future.

### **4.3 Apart from the above there are other opportunities**

#### **I) Tourism potential of Bangladesh**

Bangladesh is located conveniently on the east-west air-corridor making it a gateway to the Far East. It is endowed with resources and the potential for a tourism industry. In the south-east the country has a 120 km long beach of soft silvery sand, perhaps the world's longest, in a Riviera-like setting with crescent-shaped low hills overlooking the Bay of Bengal. The range of the hills clad in lush green thickets is treasured locations for eco-tourists and wildlife watchers. At the head of this terrain is Cox's Bazaar which is as romantic as its name is to the outside world. The Hill Districts to the north and north-east of Cox's Bazaar nestle the Kaptai and Rangamati lakes, a 840 sq.km body of crystal clear water lying in sylvan shadows not far from where a dozen hill tribes follow their traditional life-styles. The Tea District of Sylhet in the far north-east of the country has prospects of tourism, as does the Sundarbans, a large mangrove forest in the South which is home of the Bengal tiger; remains of palaces of old principalities and archaeological sites of Buddhist monasteries. Shrines and holy places, mosques and temples, particularly in the northern part of the country, are among the tourist treasures of Bangladesh.

#### **II) Potential to receive a large number of tourists**

Bangladesh has the potential of receiving a large number of tourists and a handsome amount of earnings from this sector. The average growth rate in tourist arrivals in Bangladesh from 1991 to 2004 is 7.19 percent and the same in earnings from 1990-91 to 2004-2005 is 24.12 percent where as the WTO's forecast is average annual growth rate is 6.10 percent between 1995 to 2020 for South Asia.

#### **III) A competent land for tourism**

Bangladesh as a vacation land has many facets. The country's tourist attractions include archaeological sites, historic mosques and monuments, resorts, beaches, picnic spots, forest, colorful tribal life and wildlife. Bangladesh offers opportunities for angling, water-skiing, river cruising, hiking, rowing, surfing, yachting and sea bathing as well as bringing one in close touch with Mother Nature. The country is also rich in wildlife.

#### **IV) Prospective eco-tourism**

As a destination for eco-tourism, Bangladesh is truly hard to beat. A country in South Asia with an area of 144,470 square kilometers, Bangladesh definitely offers a lot to see enjoy and do. The main attraction of Bangladesh could be its opportunities for eco-tourism with it's a variety of animals, birds, forests, hills and hillocks and aquatic life. The country can become popular as an eco-destination in South Asia.

#### **4.4 SWOT Analysis**

By SWOT analysis we imply Strengths, Weaknesses, Opportunities and Threats. Star Travel International has some strengths, weaknesses, opportunities and threats. These are identified below:

##### **Strengths**

- Star Travel International has diversified products.
- Strength of Star Travel International can be the diversity it possesses over its rivals.
- Its customer base is very apposite to do proper business.
- Its distinctive offerings towards its customers make Star Travel International more competitive.

##### **Weaknesses**

- Its capacity compared to its fierce rivals makes them vulnerable.



- It is somewhat new in this industry.
- Its dependency on its CEO makes it vulnerable.
- As it is a new company, finding corporate customers is hard.

### **Opportunities**

- Its dynamic management team gives Star Travel International a competitive edge.
- Day by day, the size of domestic market is widening which for customers for Star Travel International.
- Star Travel International emphasizes on efficiency will lead them to a new level in the coming years.
- Star Travel International's ongoing campaign will help to strengthen for future.

### **Threats**

- The cost of rose frequently in the previous months.
- The more costing requires more working capitals than it needed before.
- Political unrest sometimes leads to huge turnover which hampers output as well as profit.
- Dirty rivalry among competitors leads to unrest.

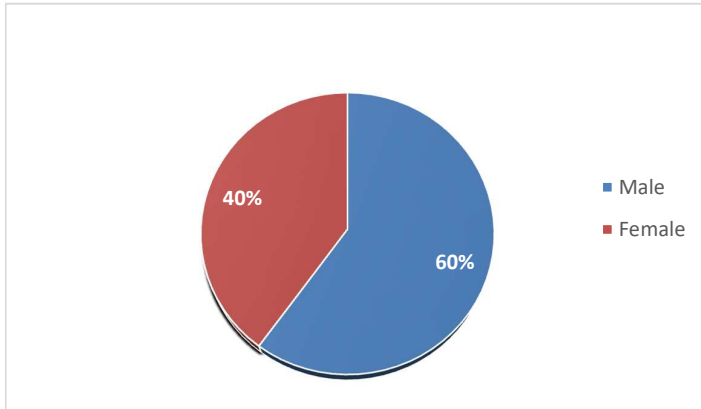
## **Chapter 5**

### **Analysis and Findings**

A structured questionnaire is set up to find out the outcome of the topic through survey. The survey is conducted among 50 respondent. Respondents are from different cultural & education background. The data is being analyzed through MS excel. Here is the analysis and the findings-

## 5.1 Demographic Data

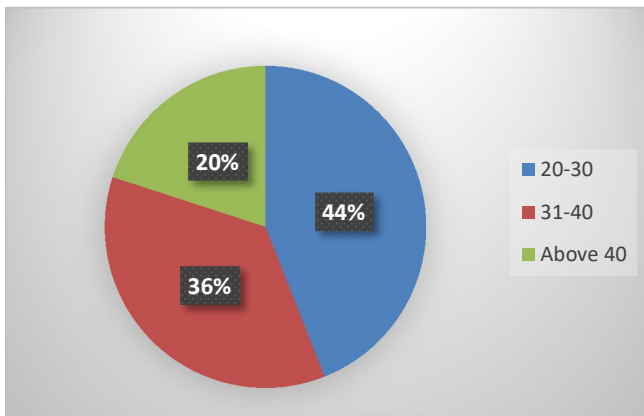
**Gender:** The respondent's are-



*Figure 1-Gender*

From the chart, it is clearly shown that 60% of the respondent are male and 40% of the respondent are female. The ratio of male respondent are high.

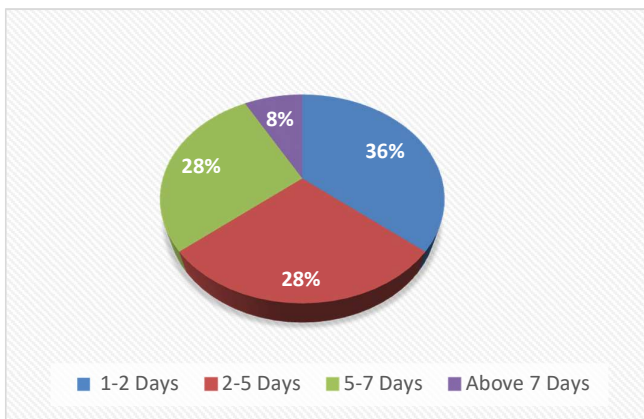
**Age:** The responses are shown in a chart:



*Figure 2-Age*

From the chart it has been shown that 44% of the respondent are belongs to 20-30 years age level and 36% are belongs to 31-40 years age level. Only 20% of the people are from above from 40%.

**Length of Trip:** The responses are shown in below:

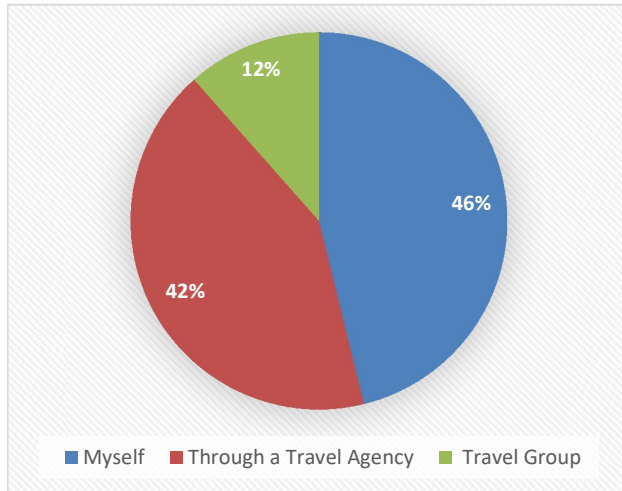


*Figure 3-Length of Trip*

From the survey of the respondent we found that 36% of the respondent are making trip for 1-2 days, 28% are making trip for 2-5 days, 28% are making trip for 5-7 days and 8% of the

respondent are make trip for above 7 days which are the minimum.

**How do you plan on your trip:** The Responses are shown in Chart,



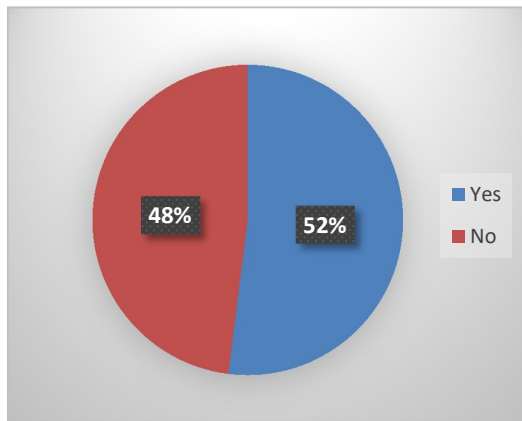
*Figure 4-Trip Planning Procedure*

In the chart, It has been clearly observed that 46% responded are planned their trip with their own effort and 42% of the responded planned their trip through a travel agency. On the other hand 12% of the responded planned their trip via travel group.

## 5.2 The Prospect of travel agency business

Several statement are given to understand the prospect of Travel agency business in Bangladesh from the respondent point of view.

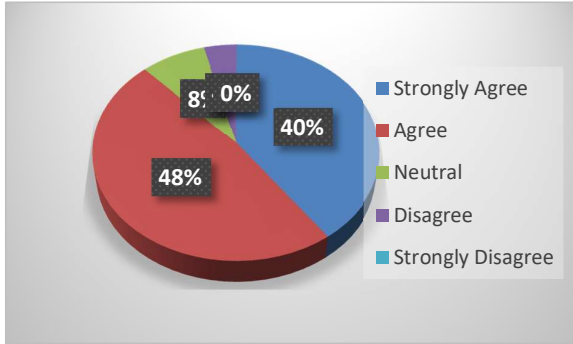
**I make travel with travel agency:** The responses under the statement are given below:



*Figure 5-Travelling Pattern*

From the figure we shown that 52% of the responded are travel with travel agency and 48% of the responded doesn't travel with travel agency.

**Travel agency business flourishing day by day:** The statement are shown in below on the basis of responses:

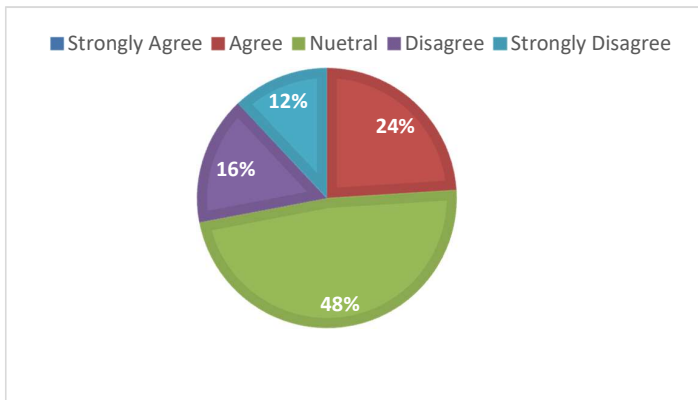


*Figure 6-Consistent Growth of Travel Agency*

It is shown that most of the respondent are strongly agree with this statement which percentage is 40% .On the other hand 48% agree, 8% neutral and 4% disagree on that statement.

**Travel agency of Bangladesh ensuring customer satisfaction with better quality product:**

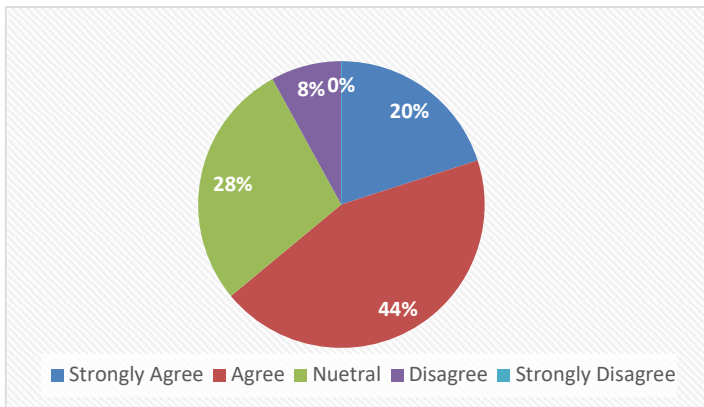
The responses are given in below on the basis of this statement:



*Figure 7-Customer Satisfaction and Quality product*

In the figure we found that 24% of the respondent are agreed with this statement and other figure is 48%neutral, 16%are disagreed, 12% are strongly disagreed

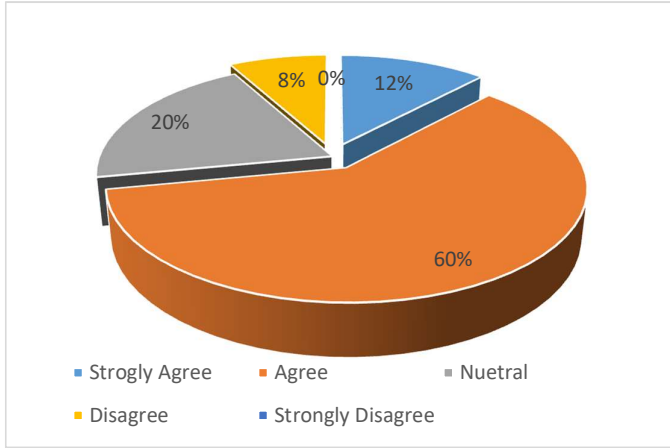
**Travel agency plays a driving role to generate tourist in a destination:** The statement result are given in below on the basis of the responses:



*Figure 8-Travel agency as a driving force*

From the figure we shown that 20% responded are strongly agreed with this statement, 44% are agreed, 28% are neutral and 8% are strongly disagreed.

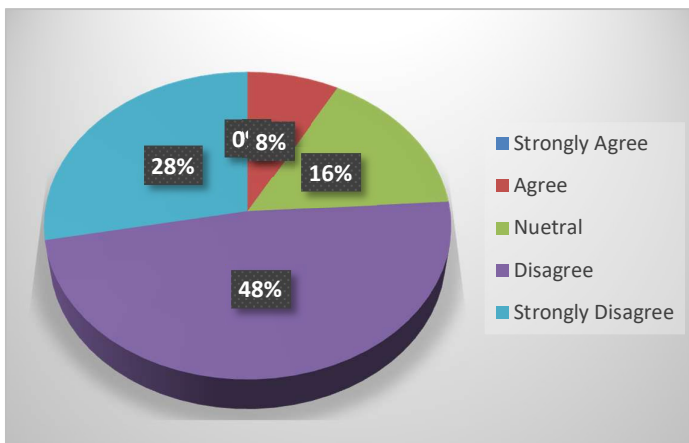
**Travel agency promoting different destination in Bangladesh:** The diagram are given in below on the view of respondent:



*Figure 9- Travel agency as the promoter of different destination*

In the figure it has been shown that 60% of the respondent are agreed with this statement, 20% are neutral, 12% are strongly agreed and 8 % are disagreed

**Travel agency focuses on sustainable development of a tourist destination:** Sustainable development of tourist destination is an important question for us. The responses are given in below:

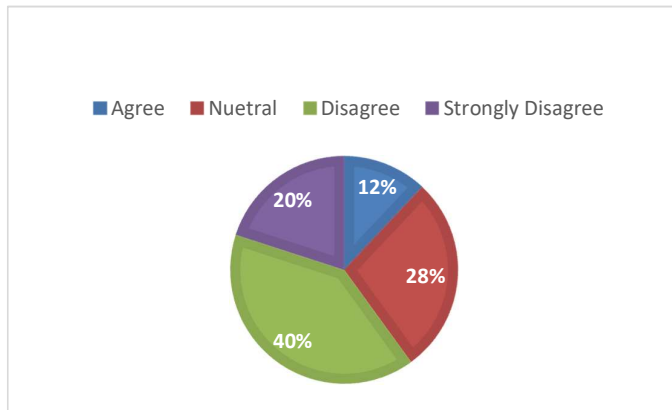


*Figure 10-Travel agency focuses on sustainable development*

From the it has been shown that 8% of the respondent are agreed on this statement .On the other hand 16% are neutral, 48% are disagreed and 28% are strongly disagreed.

**Travel agency of Bangladesh is working with the other stakeholders of tourism to maintain tourist destination:** Travel agency are relating with other stakeholders of tourism to

maintain the tourist destination like govt. and non-govt. tourism organization. The figure are given in below:

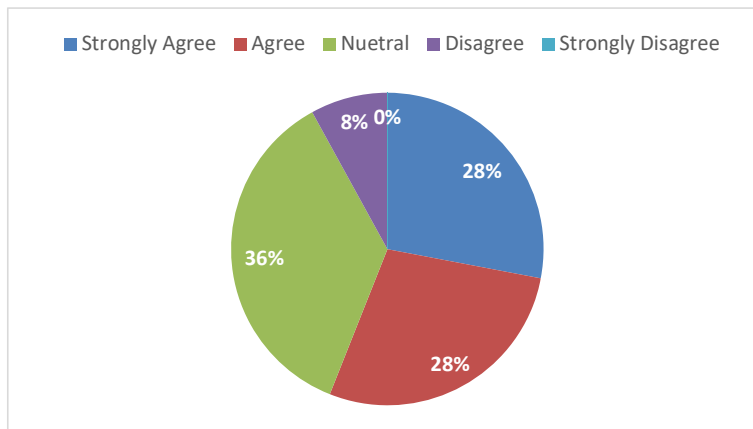


*Figure 11-Travel agency linkage with other stakeholders*

In the graph it has shown that 12% responded are agreed with this statement where 28% are neutral, 40 % are disagreed and 20 % are strongly disagreed.

### 5.3 The study on Star Travel International

**Star Travel International gives promotional discounts to their clients:** Star Travel International provide various promotional to their clients like package tours, couple package etc. The graph are in below on the basis of the statement:

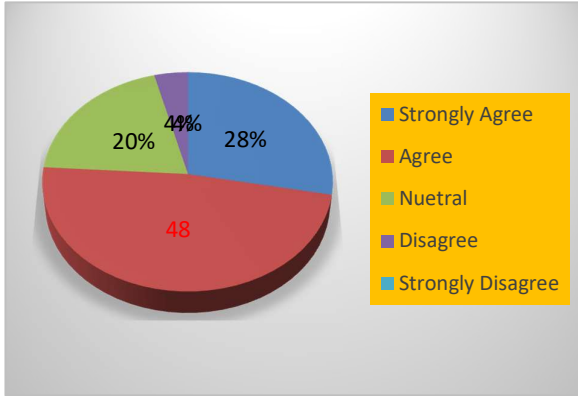


*Figure 12- Star Travel International gives promotional discounts to their clients.*

In the figure it has been observed that Star Travel International provide various promotional discounts for their valued customer. Here,

it has been shown that 28% of the respondent are strongly agreed on this statement, 28% are agreed, 36% are neutral and 8% are disagreed on this statement.

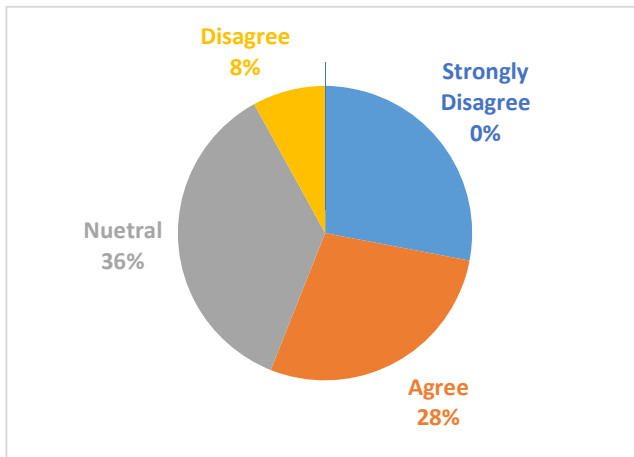
**Internet advertising give a lot of help to increase the sales and more clients to their promotion:** Star Travel International is constantly grabbing the attention the customer through different activities via internet. The Responses are:



*Figure 13-Internet advertising help to increase the sales and clients*

In this figure we found that 48% of the responded are agreed on this statement, 28% are strongly agreed, 20% are neutral and 4% are disagreed.

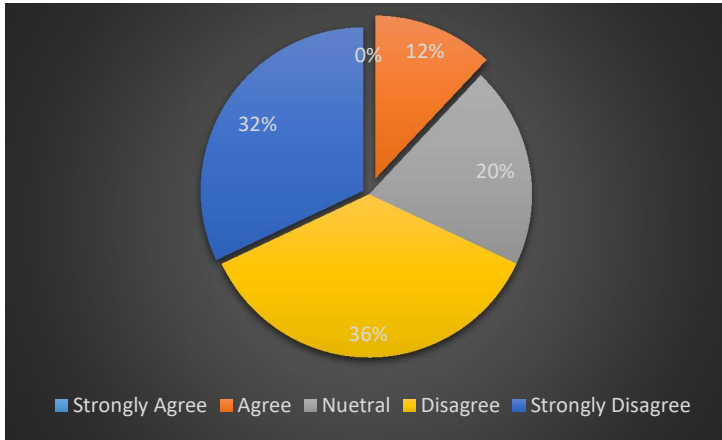
**Star Travel International needs to increase the range of other services besides ticketing and hotel booking:** At present Star Travel International provide ticketing and hotel booking services. The Response are:



*Figure 14-Should Increase the range of other services*

From the figure it has been identified that 28% of the respondent are strongly agreed, 28% are agreed, 36% neutral and 8% are disagreed on this statement.

**Star Travel International charges reasonable price of its service product:** Star Travel International provided better quality services and charges than the other travel agency company. The graph are given in below on the basis of the statement.

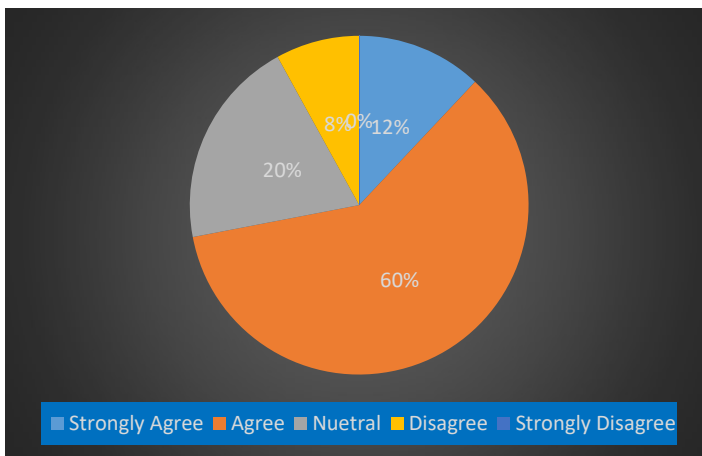


*Figure 15-Charges reasonable price*

In this graph it has been observed that 12% of the respondent are agreed, 20% are neutral, 36% are disagreed and 32% are strongly disagreed on this statement.

**Star Travel International inter-connects with local and international travel agency:**

Connectivity is very important for the travel agency business because of its provide services locally and internationally. The responses are given in below:



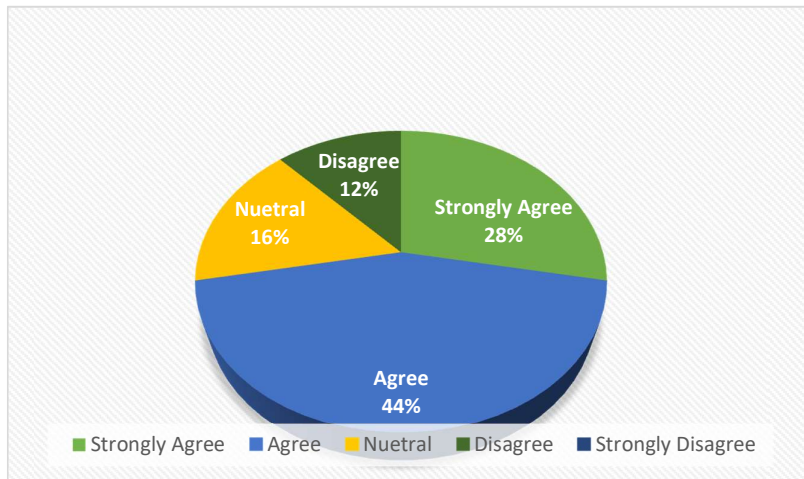
*Figure 16-Interconnection with local and international travel agency*

In this figure we found that 12% are strongly agreed on this statement where 60% are agreed, 20%are disagreed and 8% are strongly disagreed on this statement.

**Star Travel International provides online booking services and up-to-date information to their clients:**

Online booking services very important element of a travel agency for proving the significance of the company. The responses under the statement are given in below:



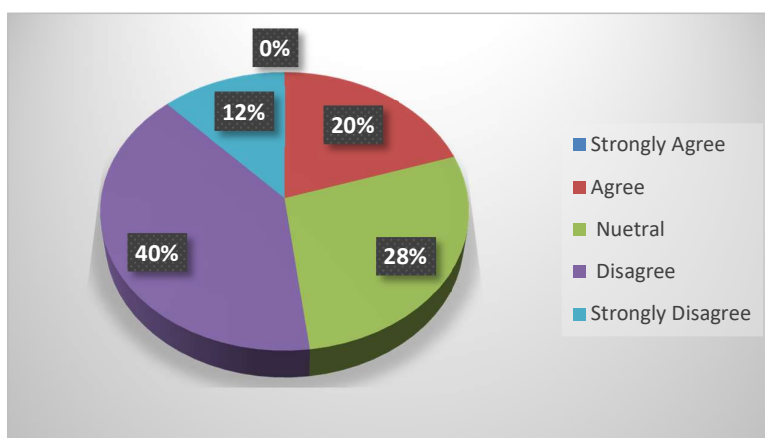


*Figure 17- online booking service and up-to-date information:*

In this figure it has been shown that 28% of the responses are strongly agreed where 44% are agreed, 16% are neutral and 12% are disagreed

on this statement.

**Star Travel International maintain government rules and regulations properly:** Travel Agency has some rules and regulation which is formed by the government. The responses under the statement are given in below:



*Figure 18-Maintain Government rules and regulations*

Here 20% of the respondent are agreed that Star Travel international maintain the govt. rules and regulations where 28 % neutral, 40%

are disagree and 12 respondent are strongly disagreed on this statement.

## Chapter 6

### Recommendations

Based on the findings of the study the following suggestions can be put forwarded to improve the tours & travel agency business in Bangladesh:

- Some Non Government Organizations do the same thing in order to collect funds by highlighting the country as a dreadfully poor, flood ravaged, pestilence and means there is nothing to be in a country to consider as a tourist destination. As a result, many foreigners do not choose Bangladesh as a tourist destination because of either they don't have enough idea about the country and its tourism attractions and facilities or what they have is negative. As Bangladesh Tours & Travel Industry has not enough funds to use to international media for correcting this negative image, it should emphasize on the printed materials and to distribute it to the potential tourists through different airlines, foreign tour operators and foreign mission abroad etc.
- The tourists need to be fear free in visiting a place especially when it is outside their home country. The government of Bangladesh should improve the security in the major tourist areas with a view to correct Bangladesh's tarnished image.
- Bangladesh can attract more tourists by offering more discounts on group tours and long stay visits.
- The present infrastructural facilities of tourism in Bangladesh are not up to the standard of international level. There need to develop more hotels, motels, restaurants, and internal transport for the easy access to the spots.
- The monetary estimation of the Star Travel International brand ought to be expanded.
- Government and private financial institutions ought to give credits to fabricate solid store to work travel and tourism benefits easily and viably.

- At present travel agency business is online-based so current data and enhanced advancements are imperative in this area
- Political parties must enhance the shakiness to the political culture for the change of the movement and tourism business.
- Affiliation with remote visit administrators will help the neighborhood visit administrators to utilize their advances to maintain their business beneficially.
- Travel and tourism experts should find a way to enhance required framework.
- Legal experts should take important activity to evacuate lawful boundaries to begin a movement office business.
- A training institute can encourage travel and tourism business person to procure vital information to open a movement organization business successfully and effectively.

## **Chapter 7**

### **Conclusion**

Travel and Tour industry plays a significant role in promoting Tourism in abroad and in local as well. In our country, lot problems are there as well as some opportunities. Operators need to exploit the opportunities to achieve overall goals. They are the promoters of Tourism. The significance of tourism is viewed from many angles like economic, social, cultural, political, etc. Tourism is now the fastest growing and single largest industry in the world. The industry has attained the impressive growth in the world-wide in terms of tourist arrivals and foreign exchange earnings which has led the ever increasing competition among the destination countries and gained the top priority in most of the destination countries. Every destination country is trying to attract more tourists by drawing the attention and growing the interest among the potential tourists through adopting effective marketing strategies. Promotion is an important element of marketing mix and plays a vital role in developing marketing strategies.

Because of tourism is a field where the customers/tourists want to know in advance about the attractions and facilities of the destination. Marketers need to provide such necessary information to the prospective tourists through different promotional measures and thus, try to motivate and attract them to the sponsor's destination.

To abridge the entire circumstance, it can be said that, "Star Travel International" is giving a magnificent support of the vacationers from home and abroad and in the meantime this organization is additionally endeavoring to display nation's image to the remote guests and instruct our kin about the world class tourism strategies which is, as indicated by my idea, an exceptionally commendable advance and we ought to participate with them in this issue for our own particular advantage. This agency is endeavoring to deal with the general travel exercises program and they will advance with the modernization of business condition. Government should take important activity with the private organizations to build up this area as Bangladesh is a potential market of future travel office and by legitimate observing this nation can draw in remote vacationers and can acquire outside money to create different segments.

As an internee in this travel agency, I have genuinely made the most of my entry level position from the learning and experience. I am sure that multi month internship program encourages me in an extraordinary. I have taken in numerous new things from it. Particularly learning of how to manage the client and exercises of tour operation made me proficient in this division.

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## Appendix

### Survey Questionnaire

**Dear Respondent,**

I am Ferdous Ahmed Polin, student of BRAC University (MBA, Brac Business School). I am writing a report on the topic of **“The Emergence, Problems & Opportunities of Tours & Travels agency business in Bangladesh: A Study on Star Travel International.”** This survey is done to derive information that would help me to furnish my internship report. I would be very kind to you if you accurately respond to the questionnaire.

Thank you for your time and effort to support my research.

Gender:  Male  Female

Age:  20-30  31-40  above 40

What is generally the length of the trip?

1-2 days  2-5 days  5-7 days  above 7 days

How do you plan on your trip?

Yourself  through a travel agency  Travel group

Listed below are different opinions about Travel agency. Please indicate how strongly you agree or disagree with each of the point by using the following scale:

1= Strongly Disagree

2= Disagree

3= Neutral

4= Agree

5= Strongly Agree

### Prospects of the travel agency business in Bangladesh

SL No.	Statement about the prospect of travel agency	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Do you make travel with travel agency?					
2	Travel agency business in Bangladesh flourishing day by day.					
3	Travel agency of Bangladesh ensuring customer satisfaction with better quality service and product.					
4	Travel agency place a driving role to generate tourist in a destination.					
5	Travel agency is promoting different tourist destination of Bangladesh.					
6	Travel agency focuses on sustainable development of a tourist destination.					



7	Travel agency of Bangladesh is working with other stakeholders to maintain to maintain tourist destination.					
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### A study on Star Travel International

SL No.	Statement about Star Travel International	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Star Travel International give promotional discounts to their clients.					
2	Internet advertising give a lot of help to increase the sales and add more clients to their promotion.					
3	Star Travel International needs to increase the range of other services besides ticketing and hotel booking.					
4	Star Travel International charges reasonable price of its services provided.					

5	Star Travel International inter-connects with local and international travel agency.					
6	Star Travel International provides online booking services and up-to-date information for their clients.					
7	Star Travel international maintains government rules and regulation properly.					